

JAPANESE INDUSTRY AND POLICY NEWS

July 2017

LEGISLATION AND POLICY NEWS

Adding Driving Condition to Fuel Efficiency Indications for Passenger Vehicle Becomes Necessary

The Ministry of Economy, Trade and Industry (METI) and the Ministry of Land, Infrastructure, Transport and Tourism (MLIT) revised part of the public notices under the Act on the Rational Use of Energy to require vehicle manufacturers and importers to add fuel efficiencies of passenger vehicles by driving condition – urban road, rural road and motorway – to the existing fuel efficiency indications in catalogs or vehicles for exhibitions.

As vehicle performance in terms of fuel efficiency has been improving in recent years, some differences in fuel efficiencies have been pointed out based on the comparison between figures indicated in vehicle catalogs or vehicles for exhibitions and those resulting from actual driving by up to 40% below the figures shown in catalogs. These gaps in fuel efficiencies are caused by the differences in driving environment and methods between manufacturers and users.

To address to this challenge, METI and MLIT decided to provide the public with information on a variety of vehicle fuel efficiencies according to the differences in driving environment and methods and allow vehicle users to compare fuel efficiencies by driving condition of vehicles. To this end, both ministries have revised part of the public notices. The revised public notices are to stipulate that the manufacturers of such vehicles to indicate the fuel efficiencies by mode, i.e. urban road mode, rural road mode and motorway mode, in catalogs and vehicles for exhibitions. This revision became effective on 4 July.

http://www.meti.go.jp/english/press/2017/0704_003.html

METI Announces Revision of the Standards for Pictograms

Public information symbols (pictograms) are guide signs to visually convey a variety of information without verbal communication. In light of the forthcoming 2020 Tokyo Olympic and Paralympic Games, Japan recognizes the importance of making pictograms more concise for overseas tourists as well as Japanese nationals. To this end, the Ministry of Economy, Trade and Industry (METI)



announced on 20 July the revision of seven pictograms and establishment of 15 new pictograms and a help mark, from the viewpoint of making these pictograms consistent with those under the ISO. This effort is anticipated to achieve an environment in which people are able to more smoothly travel in Japan.

Examples of new pictograms

Wireless LAN	ATM for overseas cards	Help mark
		

Optional pictograms

*Users of the symbols can select whichever they prefer.

Hot spring		
	or	 (ISO version)

http://www.meti.go.jp/english/press/2017/0720_001.html

Using Purchase Data by Electronic Receipt

In FY2016, the Ministry of Economy, Trade and Industry (METI) conducted an experiment concerning data utilization through the digitalization of shopping receipts (digital receipts). As a result of the experiment, METI discovered the usefulness of a system in which individual consumers are able to securely manage their own personal information, data on shopping receipts and other data, and provide such information with prior consent to businesses.

According to a report that the METI released on 26 June, the experiment utilized approximately 600 participants as study subjects. These cooperators managed data on their purchase history through digital receipts using their own smartphones with a specific application as well as provided such data from themselves to other entities.

Based on the results of the experiment, METI found potential in developing an individual-oriented data distribution market under the system in which (a) individual purchasers are able to manage their own purchase history, (b) an environment with a complete privacy management tool is established, and (c) such purchasers are able to receive attractive compensations or services for their data provision.

http://www.meti.go.jp/english/press/2017/0726_001.html

SURVEY AND BUSINESS DATA

Biggest Reduction of Japanese Population Recorded

According to a statistic of the Ministry of Internal Affairs and Communications, the population of Japanese nationals as of 1 January, 2017 was estimated at 125,583,652 persons. It is a reduction of 308,084 persons as compared to the previous year, the biggest decline recorded since the survey started in 1968. The number of foreign nationals in Japan increased by 6.85% to 2,323,428 persons.

The number of new born babies in the past year was 981,202, short of one million mark for the first time.

http://www.soumu.go.jp/menu_news/s-news/01gyosei02_02000148.html

(Japanese language only)

English Handbook of Health and Welfare Statistics 2016 Published

The Ministry of Health, Labour and Welfare published on 28 July, an English Handbook of Health and Welfare Statistics. The handbook covers a wide range of statistics from population, health and social welfares.

<http://www.mhlw.go.jp/english/database/db-hh/index.html>

Japan's Outward FDI Marks Record High

According to the Global Trade and Investment Report 2017 that the Japan External Trade Organization (JETRO) published on 31 July, Japan's outward foreign direct investment (FDI) in 2016 increased by 24.3% from the previous year to \$169.6 billion (on a balance of payment basis, net, flow), which was a record high since comparable records began in 1996 and surpassed its past record of \$155.6 billion marked in 2013.

Looking at major countries and regions, investment in the EU almost doubled from the year before, largely due to growing investment in the UK (\$47.8 billion), followed by the Netherlands (\$10.8 billion) and Germany (\$2.3 billion). The US accounted for approximately 30% of total investment, remaining the largest destination country for seven straight years.

JETRO surveys indicate that there remains a shift to ASEAN among Japanese companies. In the overall trend of restructuring bases and functions related to sales and production at home and abroad, there is a growing pattern of such transfers being made by Japanese companies from China to ASEAN.

<https://www.jetro.go.jp/en/news/releases/2017/a62b8a37b416f089.html>

<https://www.jetro.go.jp/world/japan/stats/fdi.html> (Japanese language only)

Market Size and Employment Situation of Environment-related Industry Published

According to a report that the Ministry of the Environment published on 13 July, the domestic market size for environment-related industry was up by 1.4% from the previous year to reach a record high of 104.2 trillion yen in 2015.

Employment in this industrial sector reached 2.49 million (up 2.7%) in the same year, also recorded a historical high. According to the ministry, employment in the “clean energy” sector recorded a threefold increase in three years between 2012 and 2015, with an actual increase of 150,000 personnel.

<http://www.env.go.jp/press/104292.html> (Japanese language only)

Solar Power Generation Projected to Reach 200GW by 2050

Japan Photovoltaic Energy Association published on 3 July a “vision” for the year 2050 entitled, “JPEA PV Outlook 2050”. In this outlook, JPEA anticipates that a total capacity of solar power generation will reach 200GW, more than four times as big as the current level. JPEA sees a rapid increase of solar power generation is necessary to achieve the long-term national target of reducing greenhouse gas emission by 80% by 2050.

<http://www.jpea.gr.jp/pvoutlook2050.pdf> (Japanese language only)

Number of Gas Stations Continues to Diminish

According to an annual statistic of the Ministry of Economy, Trade and Industry (METI), the number of gas stations were 31,467 in March 2017. It was 36,349 four years ago and the declining trend continues.

<http://www.meti.go.jp/press/2017/07/20170704007/20170704007.html>

(Japanese language only)

COMPANY NEWS

Honda FCV Put into Taxi Service

Teito Motor Transportation Co., Ltd. , a Tokyo area taxi company, announced on 4 July that it would put a fuel cell vehicle (FVC) of Honda Motor into taxi use.

Teito hopes to contribute to the future development of FCV by collecting and analyzing various data obtained during taxi use.

It is not revealed how much Teito payed to get a FVC. Suggested retail price of a Honda FVC (“Clarity”) is 7.77 million yen including tax.

<http://www.teito-mot.com/console/wp-content/uploads/2017/07/afc6ee14ffccdfc56960c7b44814b6e0.pdf> (Japanese language only)

ADDITIONAL TOPICS

METI to Reduce Burdens on Businesses in Terms of Administrative Procedures by 20%

The Ministry of Economy, Trade and Industry (METI) compiled on 4 July basic plans concerning the reduction of burdens on businesses in terms of its administrative procedures. The plans were prepared in light of the report compiled by the Working Group on Administrative Procedures under the Regulatory Reform Promotion Council and the directions issued by the Prime Minister in March 2017.

The METI established the following three principles for streamlining administrative procedures.

- (1) Thorough digitalization of administrative procedures (digital-first principle)
- (2) No second request for the same information to businesses (once-only principle)
- (3) Harmonization of formats

The METI formulated the basic plans to achieve goals set to reduce the heavy burdens that businesses consider so involving administrative procedures in the

following nine fields:

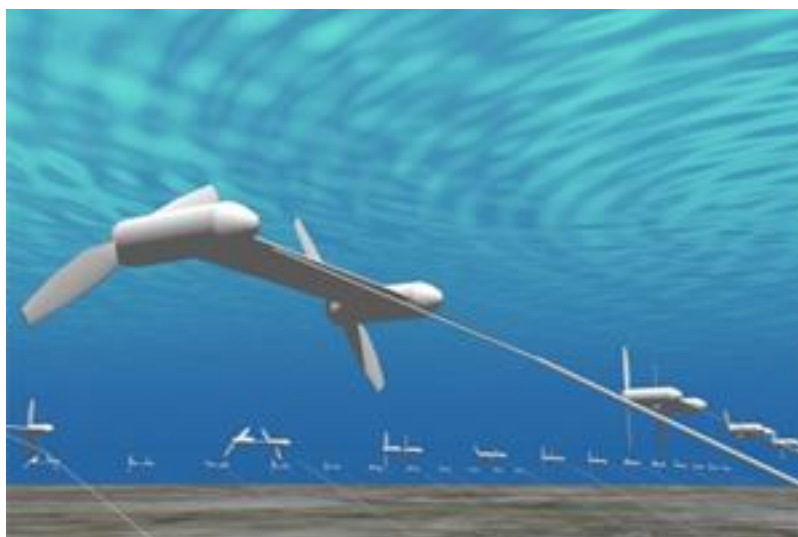
Procedures for obtaining permission or approval for business license; those for social insurance; national tax; local tax; procedures for subsidies; cooperation provisions for surveys or statistics research; procedures for labor control of employees; commercial registration; and issuance of a variety of certificates based on requests from employees.

METI will reduce the burdens of businesses involving its administrative procedures (i.e. period of time that businesses take for completing applications) by 20%. It will engage in the efforts for three years by FY2019 or may take five years by 2021 depending on the types of procedures.

http://www.meti.go.jp/english/press/2017/0704_002.html

Proving Test for Tidal Power Generation Starts in the Sea

New Energy and Industrial Technology Development Organization (NEDO) and IHI Corporation announced on 7 July that they would start a proving test for tidal power generation in the sea this summer. According to them, it is the first case of such experiment in the actual sea area with generation capacity of 100kW. Testing field is located ashore of Kuchinoshima, Kagoshima prefecture.



Images released by NEDO

http://www.nedo.go.jp/news/press/AA5_100795.html (Japanese language only)

Public Comment Procedures for Accepting the EU GIs Started

National Tax Agency (NTA) as well as the Ministry of Agriculture, Forestry and

Fisheries (MAFF) started the public comment procedures for extending protection to EU designated geographical indications (GI) in July. This procedures became necessary to cope with the agreement in principle on Economic Partnership Agreement between the EU and Japan. The number of EU GIs concerned are 71 for agricultural produce and 139 for alcoholic beverages. The period of public comment is three months. The list of GIs in question are available in the following URLs.

http://www.maff.go.jp/j/shokusan/gi_act/designation/index.html

<http://search.e->

gov.go.jp/servlet/Public?CLASSNAME=PCMMSTDETAIL&id=410290041&Mode=0